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260 FRANKLIN STREET
BOSTON, MA 02110-3173

(617) 748-6800

FACSIMILE: (617) 439-0341

E-MAIL ADDRESS PATRICIA.FRENCH@LLGM.COM

WRITER'S DIRECT DIAL (617) 748-6829

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October 3, 2002

Mary L. Cottrell, Secretary
Department of Telecommunications
and Energy
One South Station, 2nd Floor
Boston, MA 02110

Re: Fitchburg Gas and Electric Light Company; D.T.E. 02-24/25

Dear Ms. Cottrell:

Enclosed for filing on behalf of Fitchburg Gas and Electric Light Company ("FG&E") please find an original and eight (8) copies of our Motion to Admit Post-Hearing Evidence for Good Cause related to DTE-RR-6.

Thank you for your attention in this matter.

Very truly yours,



Patricia M. French

PMF:rtm

Enclosures

cc: Jeanne Voveris, Hearing Officer, DTE (3)
Sean Hanley, Asst. Director Rates and Revenues Requirement Division (6)
Paul E. Osborne, Asst. Director Rates and Revenue Requirement Division (6)
Wilner Borgella, Assistant Attorney General (By Hand) (4)
Matthew Morais, Esq. (By Hand)(4)
Service List

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

FITCHBURG GAS AND ELECTRIC LIGHT COMPANY) D.T.E. 02-24/25

**MOTION TO ADMIT POST-HEARING EVIDENCE
FOR GOOD CAUSE**

Now comes Fitchburg Gas and Electric Light Company ("FG&E") and moves the Department of Telecommunications and Energy ("Department") to admit evidence of an update to FG&E's Accumulated Deferred Income Tax ("ADIT") to reflect updated allocations for FAS 109 between its Gas Division and its Electric Division. This evidence changes the calculation of FG&E's requested revenue requirements for the Gas Division and Electric Division. Nevertheless, as demonstrated below, the record in this proceeding has not yet closed,¹ and the evidence is reasonable and appropriate.²

The Department may, for good cause shown, allow a party to file evidence of any kind, or exhibits, at a time subsequent to the completion of hearing. 220 C.M.R. 1.11(7). The Department normally leaves the record open after the close of hearings to receive updated information on cost of service schedules, such as rate case and health care expense. Berkshire Gas Co., D.T.E. 01-56 at 36 (2002). The Department has noted that these updates "customarily are routine matters subject both to change and ready verification, even after the record is closed." Id.

1 The record in this proceeding is held open until October 23, 2002 for updates expected by the parties and the Department. Tr. 9/10/02 (Vol. 15) at 1931-1932.

2 The Department may disallow any proposed adjustment to actual filed levels of cost of service, post-hearing, if no prior approval is obtained and if the reasonableness of the proposed adjustment is not demonstrated. See, Berkshire Gas Co., D.T.E. 01-56 at 37 (2002).

In the instant case, the record is not yet closed and, pursuant to the schedule in the matter, will remain open for another 27 days. Tr. 9/10/02 (Vol. 15) at 1931-1932. While the substantive issue is not an area usually considered for an update, the calculation proffered by FG&E is mathematically uncomplicated, and appropriately allocates reasonably incurred costs between FG&E's Gas Division and Electric Division.

As good cause for the Department to grant this Motion, FG&E would state as a result of the DTE-RR-43 update of Accumulated Deferred Income Taxes (ADIT), total ADIT for the Electric Division of FG&E on DTE-RR-6 at Sch. MHC-11 (Electric) remains unchanged, and there was a decrease in the non-FAS 109 amounts within the total ADIT for the Electric T&D function. DTE-RR-6, updated 9/24/02. Because of the change in the non-FAS 109 amounts of the Electric T&D function, the allocation of the FAS 109 amounts between the Electric Division and the Gas Division is affected. The update for this reallocation and its impact on the cost of service is the basis for FG&E's Motion.

The FAS 109 amounts separately for the Electric Division and the Gas Division result from an allocation process that is based on the non-FAS 109 amounts of the Electric Division and the Gas Division. The allocation is a 5-step process which has already been presented and described in Exh. DTE 6-8 (Common). This reallocation process results in a net decrease of \$290,784 in the FAS 109 amounts for the Electric Division and a corresponding increase in the FAS 109 amounts for the Gas Division. As a result of the reallocation of the FAS 109 amounts, the Gas Division's Net Regulatory Asset (FAS 109 regulatory asset and FAS 109 regulatory liability) increases by \$394,370 and the related annual amortization increases by \$19,718. DTE-RR-6 at Sch. MHC-11 (Gas).

This calculation is appropriate and reasonable, and serves to improve the accuracy of

rates. In fact, these types of issues were precisely the reason why FG&E filed both rate cases at the same time, so that the Department was able to see the interaction of costs as between the two divisions, and all reasonable costs were placed as closely to their responsible source as possible. Therefore, good cause is demonstrated for inclusion of the reallocation shown on this iteration of AG-RR-6 into the record.

FG&E requests that the update merely be admitted under the existing record request response, DTE-RR-6, identified by its date 10/2/02.

Wherefore, for all the reasons set forth in this Motion, and for good cause shown, Fitchburg Gas and Electric Light Company respectfully requests that the Department of Telecommunications and Energy grant its Motion and admit the relevant and material post-hearing Accumulated Deferred Income Tax and FAS 109 evidence before the Department undertakes its deliberations in this matter.

Respectfully submitted,

FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

By its attorneys,



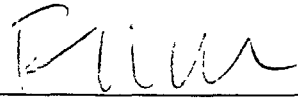
Scott J. Mueller
Patricia M. French
Meabh Purcell
LeBoeuf, Lamb, Greene & MacRae, L.L.P.
260 Franklin Street
Boston, MA 02110
(617) 439-9500
fax (617) 439-0341

DATED: October 3, 2002

CERTIFICATION

I, Patricia M. French, certify that I caused to have served a copy of the within Motion on the service list on file with the Secretary of the Department of Telecommunications and Energy for D.T.E. 02-24/25.

Dated at Boston, this 3rd day of October, 2002.



Patricia M. French